



Hungary: Dental Equipment and Supplies

Andrea Imrik

Date: 05/2009

ID: PRPSL 66C8281E4

Summary

Hungary has a government-run healthcare system that provides universal medical care as well as dental services to its citizens. Hungary spends 5.2 % of its gross domestic product on healthcare. The National Health Insurance Fund provides yearly USD 110 million for dental treatments representing a USD 11 per capita spending which is fairly low. All dental treatments are free of charge except implants, bone augmentation, orthodontics over the age of 18 years and prostheses between the ages of 18-60 years. Funding provided by the NHIF to dentists consists of a monthly fix amount plus performance based payment calculated on the number of procedures performed in the Diagnostic-Related Groups System.

With 5,500 practicing dentists (out of 6,000 registered), Hungary is a market leader in providing dental services for dental tourists. It has a market share of 39 %, closely followed by Poland (32 %), Turkey (15 %), Spain (7%) and Bulgaria (7%). The size of the Hungarian dental equipment and supply market is estimated to reach about USD 25 million. It is dominated by German, Scandinavian, Italian, French and Japanese suppliers however it provides market potential for U.S. suppliers of teeth whitening systems, lasers, optical instruments, small equipment for implants and root canal treatment, computer controlled injection devices for anesthetization, and orthodontics devices.

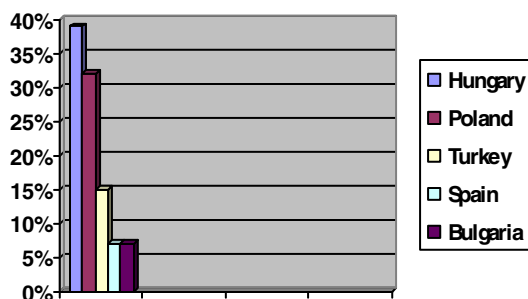
Market Demand and Data

Hungary's health care system is fairly well organized but severely under-funded. It is dominated by the National Health Insurance Fund (NHIF) which provides much of the funding. The Fund is intended to be self-sustaining based on compulsory payroll contributions from both employers and employees, however without national subsidies the system would not be financially viable. In general, Hungary retains a predominantly public funded health system, but at a somewhat lower level of support.

The NHIF provides a yearly HUF 22 billion (USD 110 million) fund for dental treatment representing a USD 11/capita spending for the NHIF fund. All dental treatments are free of charge except implants, bone augmentation, orthodontics over the age of 18 years and prostheses between the ages of 18-60 years. Funding provided by the NHIF to dentists consists of a monthly fix amount plus performance based payment calculated on the number of procedures performed in the Diagnostic-Related Groups System.

The availability of well trained dentists and the relatively low costs of dental services have made Hungary a target country of dental tourism competing with Poland, Turkey, Spain and Bulgaria. Hungarian dentists have been treating patients from Germany and Austria for decades (over one million Austrians come to Hungary every year for dental treatment), but patients from Great-Britain, Norway, the Netherlands, Italy, France also chose Hungary as service quality is increasingly important while price differences narrowing down. Most Hungarian dental clinics are located in major cities in modern facilities, run by internationally trained English speaking doctors and equipped with the latest high-tech medical equipment including digital X-ray systems, oral cameras and laser teeth whitening systems.

Market share of European countries in dental tourism (2007):



Source: Reva Health Care

Hungarian treatment prices equal to a quarter of the typical price quoted in the U.S.

Crowns	Bridges	Implants	Veneers	Fillings	Root Canals
\$360	\$360	\$1,600	\$540	\$60	\$150

Source: Reva Health Care

Below you can find the price comparison of a few major dental services in U.S. Dollars:

Procedure	U.S.	U.K.	Hungary
Crowns	1,500	800	360
Bridges	1,800	800	360
Root canals	500	600	150
Porcelain veneers	1,500	1,000	540
Implants	3,000	4,000	1,600

Source: Reva Health Care

Hungarian dentists can be acquainted with the latest dental technologies through seminars and conferences organized by the Hungarian Chamber of Dentists, and universities (4) with a dental faculty.

Market players estimate the size of the Hungarian dental equipment and supplies market to reach about HUF 5 billion (USD 25 million). Overall U.S. export of medical, surgical and dental instruments to Hungary in 2009 amounted to USD 23.8 million, an increase of about 4 percent compared to 2008 figures.

United States Export Statistics							
Commodity: 9018, Instruments & Appl Used In Vet/Med/Surg/ Dental, Other Electro-Medical Apparatus							
Calendar Year: 2007 - 2009							
Partner Country	United States Dollars			% Share			% Change 2009/2008
	2007	2008	2009	2007	2008	2009	
Hungary	12501327	11702491	23870067	0.07	0.06	0.12	103.97

End user analysis

There are more than 6000 registered dentists in Hungary, but only 5,500 out of them have a regular practice. 3,400 dentists have a contract with the NHIF for public dental services, 80 percent of them is an entrepreneur and the rest is public employee. There are no public data about the number of private dental practices as many dentists having a contract with the NHIF also has a private practice. According to estimates, there are about 3,000 private practitioners. There are no statistical data on the number of dental laboratories, the estimated number is around 900 employing approximately 3000 dental technicians.

Key suppliers

The market is dominated by German, Scandinavian, Italian and Japanese suppliers. Major suppliers include:

3M-Espe Division, U.S. <http://www.3m.com/product/business-units/espe-dental.html>
A-Dec, U.S. <http://www.a-dec.com/>
Astra Tech Dental U.S. <http://www.astratechdental.us/>
Camlog Biotechnologies, Switzerland <http://www.camlogimplants.com/>
Chirana, Slovakia http://www.chirana.eu/data/uk/moc_uk.htm
Beutlich Pharmaceuticals, U.S. <http://www.beutlich.com/>
Beyond Whitening U.S. <http://www.beyonddent.com/>
Bien-Air, Switzerland http://www.bienair.com/dental_home.asp
Dentsply, U.S. <http://www.dentsply.com/>
Finndent OY, Finland <http://www.finndent.com/en>
GC, Japan http://www.gceurope.com/company/gcc_profile.php
Ivoclar Vivadent, Lichtensein <http://www.ivoclarvivadent.com/en/dental-professional/?lid=1>
KaVo, Germany <http://www.kavo.com/Default.aspx?navid=3&oid=002&lid=En>
Kerr Corp.Sybron Dental Specialities U.S. <http://kerrdental.com/index/kerrdental-company-2>
Heraeus-Kulzer, Germany <http://corporate.heraeus.com/en/berheraeus/AboutHeraeus.aspx>
Kuraray, Japan <http://www.kuraray.co.jp/en/products/medical/dental.html>
J.Morita, Japan <http://www.jmorita.com/>
Melag, Germany <http://www.melag.com/>
Nobel Biocare, Switzerland <http://corporate.nobelbiocare.com/en/our-company/default.aspx?v=1>
Planmeca, Finland <http://www.planmeca.com/>
Shofu, Japan [http://www.shofu.com/about\(new\).html](http://www.shofu.com/about(new).html)
Servo Dental, Germany http://www.servo-dental.de/wir%20ueber%20uns_e.htm
Sirona, Germany http://www.sirona.com/ecomaXL/index.php?site=sirona_e_home
Scican, Canada <http://www.scican.com/>
Starumann, Switzerland <http://www.straumann.com/>
SybronEndo U.S. <http://www.sybronendo.com/index/sybronendo>
Swident, Italy <http://www.dentalunits.net/>
Ultradent Products Inc., U.S. <http://www.ultradent.com/>
Voco, Germany <http://www.voco.com/en/news/index.html>
Zhermack, Italy <http://en.zhermack.com/>

Domestic production:

Fulltech, <http://fulltech.serveftp.net/indexuj.php?l=en> implants and tools
Dentech, <http://www.dentech.hu/> dental tools
Pi Dental Manufacturing Ltd., <http://www.pidental.hu/> casting systems

Best Prospects

- Small equipment for implants, root canal treatment
- Teeth whitening systems
- Orthodontics devices
- Computer controlled injection devices for anaesthetization
- Lasers
- Optical instruments

Market Entry

Local representation, distributorship or authorized dealers are absolutely essential for a market presence. Sales representatives of the Hungarian partners visit dentists and make them acquainted with the latest technologies and materials. Hungarian distributors expect the foreign partners to share the marketing costs of the introduction of a new product into the market. In addition to complying with standards and regulations, U.S. firms should meet some additional criteria when trying to enter the Hungarian market:

- Supply product information in Hungarian.
- Provide operation and instruction manuals in Hungarian to ensure proper understanding and usage of equipment.
- Provide reliable after-sales servicing and product support or, select qualified agents of distributors that are capable of providing quality service.

The “CE” mark

The CE mark signifies that a product fulfills all applicable EU requirements. The CE mark is a visible indication that the manufacturer signed a “Declaration of conformity” prior to affixing the CE mark, claiming compliance with all relevant CE marking directives in force.

In Hungary the sale of medical devices (incl. dental equipment) is regulated by the Decree No. 16/2006 (III.27) of the Minister of Health <http://www.eekh.hu/en/download/decrees/47.pdf> If the dental equipment/device has received the CE mark in any European country, there is no need for further certification in Hungary, a declaration has to be made to the Office of Health Authorization and Administrative Procedures, Authority for medical Devices http://www.eekh.hu/en/index.php?option=com_content&task=blogcategory&id=14&Itemid=28

Payment Practices

Foreign suppliers prefer advance payment, but after experiencing reliable business practices, payment terms are often changed to payment within 30, 60 or even 90 days.

Trade restrictions and safety regulation

Although no trade restrictions or other non-tariff barriers (such as quotas) apply to the sale of imported dental products or parts/accessories, all equipment used in dental/oral services must comply with Hungarian (and/or European) safety regulations and technical standards.

All electrical equipment used in Hungary must be suitable for use with 220 Volt, 50 cycle electrical current.. CE approval is mandatory for all products sold on the European market. By marking their products with the CE approval symbol, manufacturers guarantee that their products correspond to the EU guidelines for electrical and electronic devices.

Trade Promotion Opportunities

Major Trade Shows

Hungarian dental equipment distributors attend the world's leading dental show where all those U.S. manufacturers are recommended to exhibit that wish to sell in Europe. More than 106,000 visitors attend the show with over 1,820 exhibitors from 56 countries.

IDS 34th International Dental Show, Cologne, Germany

Date: March 22-26, 2011

<http://english.ids-cologne.de/>

Dental World Budapest (Dental Show and Conference)

October 14-16, 2010

<http://dentalworld.hu/dw-2010/international-information>

About 200 Hungarian and foreign exhibitors display in 164 booths.

Advertising

Publication: **Dental Express**

Publisher: Barany Dental Ltd.

Website: <http://dental-express.hu/en/index.php?ny=1>

E-mail: ujag@dental-express.hu

Language: Hungarian

Circulation: 8,000

Free publication regularly sent to all active dentists, dental technicians, dental depots, dental hygienists and students (size: A4, four color)

Publication: **Magyar Fogorvos (Hungarian Dentist)**

Publisher: Magyar Mediprint Szakkiado Kft.

Website: http://www.orkosilapok.hu/sites/orkosilapok.hu/files/mediaajanlatok/Mediaajanlo-2010_MagyarFogorvos_03.pdf

e-mail: dental@mediprint.hu

Language: Hungarian

Circulation: 5500

Free bi-monthly publication, 5200 copies are sent to the members of the Chamber of Hungarian Dentists, 300 copies to other institutions.

Resources & Key Contacts

Hungarian Chamber of Doctors, Dentists Division

Szondi u. 100,

H-1068 Budapest

Tel: (36-1) 353 2188

E-mail: kamara@fogorvos.hu

Website: <http://www.mok.hu/info.aspx?sp=60>

For More Information

The U.S. Commercial Service in CS Budapest, Hungary can be contacted via e-mail at: andrea.imrik@mail.doc.gov Phone: (36-1) 475-4234; Fax: (36-1) 475-4676 or visit our website: www.buyusa.gov/hungary

The U.S. Commercial Service — Your Global Business Partner

With its network of offices across the United States and in more than 80 countries, the U.S. Commercial Service of the U.S. Department of Commerce utilizes its global presence and international marketing expertise to help U.S. companies sell their products and services worldwide. Locate the U.S. Commercial Service trade specialist in the U.S. nearest you by visiting <http://www.export.gov/>.

Comments and Suggestions: We welcome your comments and suggestions regarding this market research. You can e-mail us your comments/suggestions to: Customer.Care@mail.doc.gov Please include the name of the applicable market research in your e-mail. We greatly appreciate your feedback.

Disclaimer: The information provided in this report is intended to be of assistance to U.S. exporters. While we make every effort to ensure its accuracy, neither the United States government nor any of its employees make any representation as to the accuracy or completeness of information in this or any other United States government document. Readers are advised to independently verify any information prior to reliance thereon. The information provided in this report does not constitute legal advice. The Commercial Service reference to or inclusion of material by a non-U.S. Government entity in this document is for informational purposes only and does not constitute an endorsement by the Commercial Service of the entity, its materials, or its products or services

International copyright, U.S. Department of Commerce, 2010. All rights reserved outside of the United States.